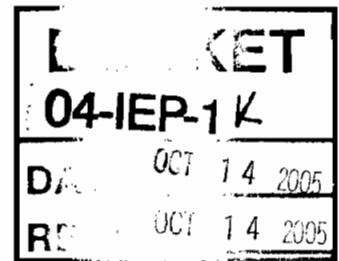


STATE OF CALIFORNIA  
State Energy Resources  
Conservation and Development Commission



In the Matter of: ) Docket 04-IEP-01K  
)  
The Preparation of the *2005 Strategic Transmission* )  
*Investment Plan* )  
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## Comments of the California Clean DG Coalition

Pursuant to the "Notice of Committee Hearings and Availability of the 2005 Committee Draft Strategic Transmission Investment Plan" (Strategic Plan) issued by the California Energy Commission on September 15, 2005, the California Clean DG Coalition (CCDC) submits the following comments.

### *1. Introduction*

CCDC is an ad hoc group interested in promoting the ability of DG system manufacturers, distributors, marketers and investors, and electric customers, to deploy distributed generation (DG).<sup>1</sup> Accordingly, CCDC is interested in the impact of the Strategic Transmission Plan on distributed generation, and particularly CHP. CCDC believes that, in certain circumstances, clean distributed energy resources are viable alternatives to transmission system upgrades or new lines.

### *2. The CEC must not miss the opportunity to lay the foundation for the "Grid of the Future"*

The Strategic Plan is in response to the Legislature's recognition of the lack of an official state role in transmission planning and the failure of the existing process to consider broader state interests. The Plan identifies and recommends actions needed to stimulate transmission investments to ensure reliability, relieve congestion, and meet future growth

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<sup>1</sup> CCDC is currently comprised of Capstone Turbine Corporation, Caterpillar, Inc., Chevron Energy Solutions Company, Cummins Cal-Pacific, Cummins, Inc., Cummins West, Inc., DE Solutions, DTE Energy Technologies, Inc., Energy and Power Solutions, Inc., Hawthorne Power Systems, Holt of California, Ingersoll-Rand Energy Systems, Johnson Power Systems, next>edge, Inc., Northern Power Systems, Peterson Power Systems, Quinn Power Systems, RealEnergy, LLC, Simmax Energy, Solar Turbines Incorporated, and Tecogen, Inc.

in load and generation, *including renewable resources, energy efficiency, and other demand reduction measures* (Executive Summary, p. 1). Meeting future load growth with these distribution level resources means that the CEC needs to extend its policy prerogative to the distribution system. As the CEC and its stakeholders have long recognized, the T&D systems are inextricably tied. Investment opportunities for the entire grid need to be encouraged.

CCDC submits that “broader state interests” include setting the foundation for the transmission and distribution infrastructure that will enable technology and market participants to develop a vibrant and robust grid. By setting a foundation that enhances the ability for automated components in the electric system to communicate California and the nation can realize a stronger, flexible grid that integrates energy efficiency, demand response, DG/CHP, renewable resources, and central station power plants. Setting the proper policy foundation for the future grid will attract transmission investments that the state seeks.

### ***3. Recommended Action***

CCDC makes the following comments.

(1) Advanced technologies, including non-wires alternatives, need to be integrated into the state’s transmission policy. Energy efficiency, demand response, combined heat and power, and distributed energy resources are such alternatives. Interoperable communication and control technologies, which enable non-wires alternatives, should also be recognized. These new elements of a transmission policy will complement the Energy Commission Loading Order in the Integrated Energy Policy Report and will enable the State to build a more robust and reliable electricity supply system that utilizes all available technology.

(2) A comprehensive statewide transmission planning process is recommended (Executive Summary, p. 2). Within that section is the specific recommendation as amended by CCDC.

Incorporation of quantitative and qualitative methods to assess the long-term strategic benefits of transmission, including the integration of demand-side resources (generation, storage, and adjustable load) in system operations.

(3) The CEC makes an *Emerging Technology Recommendations* (Executive Summary, p.5). CCDC recommends the following amendment.

The state should continue to support the research and development of new transmission, distribution, demand-side resource, system integration and information exchange technologies through the Energy Commission’s Public Interest Energy Research (PIER) program.

We look forward to further collaboration with the CEC and would like to be included in the stakeholder group study process that will be used to implement the adopted Strategic Transmission Investment Plan.

*/s/ Eric Wong*

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Eric Wong  
On Behalf of the California Clean DG Coalition

October 14, 2005